

**APPENDIX F**  
**SSC/TGC MEMORANDUM**

**DATE:** February 5, 2002

**TO:** Kelly Huddleston, Project Manager, Western Regional Office  
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**FROM:** Kathy Knight, Wetlands Coordinator, Spirit of the Sage Council  
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**RE: FULL DISCLOSURE ON GAS ISSUES ASSOCIATED WITH AREAS A AND B  
OF THE BALLONA WETLANDS IN LOS ANGELES CITY AND COUNTY FOR STATE  
APPRAISAL PURPOSES**

Kelly and Rick, thank you very much for meeting with myself, Dr. Endres, and Jeanette Vosburg and Dan Cohen of Grassroots Coalition last week regarding the gas issue on the Playa Vista property.

We are attaching some more documents for your information. Again, those of us who have studied the gas problem on this land for many years, feel that a gas field study should be done over this entire area to see where the large amounts of escaping gas are coming from. Without such a study it is hard to prove liability for the gas. But since TPL obviously does not have the funds to do it, we will try to help you the best we can with our 10 years of research on the issue. Please call us if you need any additional information.

Since this would be a state acquisition, we recommend that you have a meeting with the state appraiser, the State Controller (Deputy Cindi Aronberg), DTSC, EPA, and the PUC regarding the information they have on the health hazards on the Playa Vista site and adjoining areas. DTSC, EPA, and the PUC have ongoing investigations because they deemed the increasing number of complaints credible. We can provide you with the contact people to set such a meeting up, and would be happy to attend if you desire.

**From our meeting, we understand that the URS record review consists of the following:**

- 1) LA City Council CLA Report from the web site (note – this report was never approved by the City Council, only "noted and filed").
- 2) Report done by Edie Michael (? spelling) for Environment Now
- 2) Playa Vista reports
- 3) CDM Reports
- 4) ETI's Report

5) Kleinfelder's review of ETI data

As we stated at the meeting, our concerns are the following:

- 1) This project has a long history of extensive, expensive studies being done that cover-up what the problem is, rather than fully disclosing it. The 1993 EIR, the ENSR Report not being disclosed, and the CLA Report are good examples.
- 2) Nobody knows the danger of building on this site until a full gas probe study has been done. In fact, this site may have a negative value due to the documented gas storage area under it, high amounts of H2S documented in the area, and people getting sick (with gas exposure symptoms) right next to the property.
- 3) We think Playa Vista and the Gas Co. should accept liability for any gas problems before the State Taxpayer takes possession of the property, or else litigation costs should be factored in. Thus far they are adamant that none of the high amounts of gas coming out in this area belongs to them.

We would not like to see another financial fiasco like Belmont High School here in Los Angeles, where a developer sold land cheaply along with its environmental responsibility to the LA Unified School District. The District did not do proper due diligence on environmental testing, and consequently a massive contamination problem resulted in the \$200 million school left unfinished. Also, if gas under this land migrates, California laws could make the owner responsible for "creating a hazard" under other people's buildings. We are worried about the State being seen as a "deep pockets" in the lawsuits that are beginning to be filed over this gas problem.

(On the positive side the Calif. Supreme Court just ruled that utilities are responsible for contamination)

**To assist URS with their document review, we are making the following comments and attaching the following documents relating to our concerns. If you need more information, please let us know. We have many volumes of documentation on this subject, and have submitted almost all this documentation to LA City.**

1. The CLA Report is under a Brown Act Challenge for not letting most of the opponents to the report present their testimony at two public hearings (Case No. BC 256438 Superior Court of Calif, County of LA)
2. Document 15808 – LA City document showing that they knew the PDR/Venice Oil field was a sour oilfield with H2S contamination.' (Not addressed in CLA Report)
3. We provided you with DOG Map 120 showing the 2-300 old abandoned wells from the 1920's and 30's that are now leaking. The City of LA continues to approve million dollar homes over leaking wells with no disclosure to the buyers and no gas mitigation system. So much for the City of LA disclosing gas hazards on expensive coastal real estate!
4. We provided you with a photo of the area. Our experts correctly predicted long ago that there was a gas problem at Playa Vista, that there would be well blowouts from

gas entering the 50 ft. gravel zone and traveling eastward, and that this gas would be oilfield gases. We also maintain that the extremely high amounts of gas are from the 100 million cubic feet of gas lost annually by SOCALGAS at their facility, and from gas escaping from the old leaking well borings.

5. A copy of SOCALGAS's statement that all new underground storage facilities need to be located in uninhabited rural areas with large buffer zones. Area A and B should be buffer zones in this area. This is the last underground storage area left in an urban area that we know of in the US due to the fact that they all leak.
6. SOCALGAS's Montebello field (just east of downtown LA) was shut down due to it leaking into City Hall and houses over it. (On a related issue at Montebello SOCALGAS was fined over \$3 million dollars and told to send their employees to an "honesty" school for lying to the PUC and local citizens about their royalties). We asked the City of LA to look into how the Montebello leakage occurred but thus far they have refused and the CLA Report Task Force also refused to investigate this similar situation.
7. CLA Report – LAUSD wanted their safety team to participate, numerous gas experts wanted to participate, but the CLA office refused, **and used Playa Vista's consultants again** (hired through Latham and Watkins this time – giving them client-attorney privileges on any negative data) to gather the data, and then Kleinfelder (which according to the background stats we were given, were not qualified to make the public health assertions they made) to review Playa Vista data. Kleinfelder did not do a new H2S study, they just reviewed some data that had been collected by the 4 ft. methane probe specialist, Dr. Victor Jones, who also did not do an H2S study. In addition, Kleinfelder never reviewed all the H2S documentation we gave the City and which the City already had.
8. ETI Map of SOCALGAS Company's depiction of their storage area against the extremely large (80-90% by volume thermogenic gas) gas leak at Playa Vista. The areas match almost totally.
9. Maps showing elevated oilfield gases and Prop 65 chemical gases from ETI study.  
*(WE ASSUME YOU HAVE FULL ETI MAPS IN COLOR – IF NOT, CALL US)*
10. H2S – Not addressed by CLA Report – Playa Vista Archaeology documents showing elevated H2S levels at Playa Vista resulted in many digs having to be abandoned for safety reasons. H2S was found directly across Lincoln Blvd. (LAN 2676) from the Area B site proposed for State acquisition at unsafe levels where luxury condos are slated to go in.
11. H2S – Letter from Dr. Paul Connett, PhD, St. Lawrence University regarding CLA Report and H2S
12. H2S – Sample from Playa Vista 1999 Groundwater Monitoring Report  
(Not addressed in CLA Report)
13. H2S - Fire Dept. response to local citizens who complained of massive inhalation of H2S while walking past a building site on Panay Way in Marina Del Rey, just north of Area A. Fire Dept. measured 50 ppm, way over CalOsha limit. Dan Cohen, one of

the citizens, now has a chemical sensitivity problem and cannot go near this area without respiratory reactions.  
(Not addressed in CLA Report)

14. Letters showing workers getting sick from H<sub>2</sub>S on the site. One worker was still sick from it after a day.
15. There are boring logs (I don't have them right now) from Mariner's Village in Marina Del Rey (north of Playa Vista, also west of Lincoln Blvd. show 12-30 ppm of H<sub>2</sub>S. Also, as we showed you on the video tape the gases coming up in this area at the Lagoon and by Block 11 are thermogenic gases (see attached laboratory results we received).
16. City Documents showing John Sepich, the methane mitigation specialist relied on by the City of LA for the CLA Report is a registered lobbyist for Playa Vista. This is a major conflict of interest.

Also, documents showing Playa Vista owners (Morgan Stanley, Goldman Sachs, etc.) spent almost \$800,000 lobbying the City of LA on the gas issue in 2000, and were top lobbyists last year. Also around the year 2000, SOCALGAS Co. went under the same law firm as Playa Vista (Latham & Watkins) which is highly unusual given a potential conflict of interest.

There is no questions that Playa Vista is a highly political project. The local Council Member Ruth Galanter supports it (we have asked her several times to come see the gas dangers we see, but no one from her office has agreed to do so). Mayor Riordan strongly supported it, and after he advocated for the LA City Charter to be changed in 1999, he appointed all the Dept. Heads rather than the previous civil service protection. Workers from many depts. tell us that decisions are being made now for political reasons, with the on-line worker's reports being changed or filed away.

17. Time Line #1 showing that it took 5 years to convince the City of LA that we were correct that there was a major gas problem on this site. Unfortunately, they have only required one site to be studied out of the 4, and are letting SOCALGAS off the hook on all gas down to 1500 feet which even goes against the mineral rights laws.
18. Time Line #2 showing inconsistencies in the EIR regarding gas problem. Documents exhibiting the quotes are attached to Time Line #2.
19. We have documentation that gas is still pouring out of the Playa Vista vent wells at the rate of 20 liters per minute.
20. No study has been done of Area A or B, so we don't know the gas migration patterns, nor the tidal influence on the gas migration, nor of the wells on the property.
21. As evidenced at Belmont High School (see attached article), construction can alter gas migration paths. Neighbors at Belmont got worse H<sub>2</sub>S after the construction. The urban runoff basin on Area B (called the Fresh water marsh), could displace gas onto other sections of Area B or across the street in Area D.

22. Changes in seismic activity, seasonal changes in the water table, and tidal changes can also affect the gas migration patterns.
23. SOCALGAS Co. is not just the operator of the gas storage area in the sandstone rock formation 6,000 feet down, but they are also the operator of the Playa Del Rey/Venice oil fields.

In conclusion, you can also go on our website to see the documentation regarding the gas hazards in this area. The web site is [www.saveballona.org](http://www.saveballona.org). We also have submitted an extensive library to the LA Building & Safety Dept. regarding this documentation.

Thank you again for taking the time to address this issues in any California State Appraisal of the Ballona ecosystem. Again, given the high amount of unanswered questions regarding placing residential/commercial buildings on these areas, we think the best and safest use is wildlife habitat with no enclosed buildings that are not extremely heavily ventilated.

Thank you.

*ALSO ATTACHED:*

*1989 COMPLAINT RE: GAS*

*ENSR REPORT EXCERPTS*

*DIAGRAM OF GAS PROBLEM AT PLAYA VISTA SITE*